

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 665, As Amended

BY REVENUE AND TAXATION COMMITTEE

AN ACT

RELATING TO INCOME TAXATION; AMENDING SECTION 63-3029A, IDAHO CODE, TO PROVIDE AN INCOME TAX CREDIT FOR FIFTY PERCENT OF THE AGGREGATE CHARITABLE CONTRIBUTIONS MADE BY A TAXPAYER TO A NONPROFIT CORPORATION, FUND, FOUNDATION, TRUST OR ASSOCIATION WHICH IS ORGANIZED AND OPERATED EXCLUSIVELY FOR THE BENEFIT OF ELEMENTARY OR SECONDARY EDUCATION INSTITUTIONS LOCATED WITHIN THE STATE OF IDAHO, OFFICIALLY RECOGNIZED AND DESIGNATED AS ANY SUCH ELEMENTARY OR SECONDARY EDUCATION INSTITUTIONS SOLE DESIGNATED SUPPORTING ORGANIZATION, AND QUALIFIED TO BE EXEMPT FROM FEDERAL TAXATION UNDER THE TERMS OF SECTION 501(c)(3) OF THE INTERNAL REVENUE CODE; DECLARING AN EMERGENCY AND PROVIDING RETROACTIVE APPLICATION.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Section 63-3029A, Idaho Code, be, and the same is hereby amended to read as follows:

63-3029A. INCOME TAX CREDIT FOR CHARITABLE CONTRIBUTIONS -- LIMITATION. At the election of the taxpayer, there shall be allowed, subject to the applicable limitations provided herein, as a credit against the income tax imposed by chapter 30, title 63, Idaho Code, an amount equal to fifty percent (50%) of the aggregate amount of charitable contributions made by such taxpayer during the year to a nonprofit corporation, fund, foundation, trust, or association organized and operated exclusively for the benefit of institutions of higher learning located within the state of Idaho, including a university related research park, to nonprofit private or public institutions of elementary, secondary, or higher education or their foundations located within the state of Idaho, to a nonprofit corporation, fund, foundation, trust or association which is: (i) organized and operated exclusively for the benefit of elementary or secondary education institutions located within the state of Idaho; (ii) officially recognized and designated as any such elementary or secondary education institution's sole designated supporting organization; and (iii) qualified to be exempt from federal taxation under the terms of section 501(c)(3) of the Internal Revenue Code, to Idaho education public broadcast system foundations within the state of Idaho, to the Idaho state historical society or its foundation, to the Idaho commission for libraries and to public libraries or their foundations and library districts or their foundations located within the state of Idaho, and to nonprofit public or private museums or their foundations located within the state of Idaho.

(1) In the case of a taxpayer other than a corporation, the amount allowable as a credit under this section for any taxable year shall not exceed twenty percent (20%) of such taxpayer's total income tax liability imposed

1 by section 63-3024, Idaho Code, for the year, or one hundred dollars (\$100),  
2 whichever is less.

3 (2) In the case of a corporation, the amount allowable as a credit un-  
4 der this section for any taxable year shall not exceed ten percent (10%) of  
5 such corporation's total income or franchise tax liability imposed by sec-  
6 tions 63-3025 and 63-3025A, Idaho Code, for the year, or one thousand dollars  
7 (\$1,000), whichever is less.

8 For the purposes of this section, "institution of higher learning"  
9 means only an educational institution located within this state meeting all  
10 of the following requirements:

11 (a) It maintains a regular faculty and curriculum and has a regularly  
12 enrolled body of students in attendance at the place where its educa-  
13 tional activities are carried on.

14 (b) It regularly offers education above the twelfth grade.

15 (c) It is accredited by the northwest association of schools and col-  
16 leges, or by the state board of education.

17 For the purposes of this section, a nonprofit institution of secondary  
18 or higher education means a private nonprofit secondary or higher educa-  
19 tional institution located within the state of Idaho, which is accredited by  
20 the northwest association of schools and colleges, or by the state board of  
21 education. A nonprofit private institution of elementary education means  
22 a private nonprofit elementary educational institution located within the  
23 state of Idaho and approved by the state board of education.

24 SECTION 2. An emergency existing therefor, which emergency is hereby  
25 declared to exist, this act shall be in full force and effect on and after its  
26 passage and approval, and retroactively to January 1, 2010.